

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board Balance Sheet As of 5/31/2006

	As of <u>5-31-06</u>	As of <u>6-30-05</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 666,578,522	\$ 595,705,367
INTERNATIONAL EQUITIES	244,312,219	234,576,931
DOMESTIC FIXED INCOME	465,868,728	421,826,873
INTERNATIONAL FIXED INCOME	78,365,384	67,728,541
REAL ESTATE	95,194,256	75,144,363
VENTURE CAPITAL	67,441,136	60,352,473
INVESTED CASH (NOTE 1)	<u>17,276,043</u>	<u>17,857,934</u>
 TOTAL INVESTMENTS	 1,635,036,288	 1,473,192,482
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	3,698,409	3,631,806
OTHER ASSETS		
DUE FROM OTHER AGENCIES (NOTE 2)	<u>32,237</u>	<u>18,797</u>
 TOTAL ASSETS	 <u><u>\$ 1,638,766,934</u></u>	 <u><u>\$ 1,476,843,085</u></u>
LIABILITIES:		
ACCOUNTS PAYABLE	1,141,446	1,141,451
DUE TO OTHER AGENCIES (NOTE 3)	<u>0</u>	<u>0</u>
 TOTAL LIABILITIES	 1,141,446	 1,141,451
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,475,701,634	1,304,738,956
CASH IN DURING YEAR (NOTE 4)	0	0
CASH OUT DURING YEAR (NOTE 5)	16,000,000	13,000,000
NET INCREASE (DECREASE)	<u>177,923,854</u>	<u>183,962,678</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,637,625,488</u>	 <u>1,475,701,634</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 1,638,766,934</u></u>	 <u><u>\$ 1,476,843,085</u></u>

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State Investment Board Profit and Loss Statement For the Month Ended 5/31/2006

	Month Ended <u>5-31-06</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,674,988	\$ 32,968,620
SECURITIES LENDING INCOME	565,042	4,744,745
	<u>4,240,030</u>	<u>37,713,365</u>
 GAIN ON SALE OF INVESTMENTS	 30,195,507	 250,402,624
LOSS ON SALE OF INVESTMENTS	<u>15,349,701</u>	<u>75,391,333</u>
 NET GAINS (LOSSES) INVESTMENTS	 14,845,806	 175,011,291
 INVESTMENT EXPENSES	 931,932	 9,828,481
SECURITIES LENDING EXPENSES	540,971	4,513,875
SIB ADMINISTRATIVE EXPENSES	<u>11,352</u>	<u>126,559</u>
 NET INVESTMENT INCOME	 17,601,581	 198,255,741
 NET APPREC (DEPREC) MARKET VALUE	 (60,101,816)	 (19,173,664)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(141,357)</u>	<u>(1,158,223)</u>
 TOTAL INVESTMENT INCOME	 <u>(42,641,592)</u>	 <u>177,923,854</u>
 NET INCREASE (DECREASE)	 <u>\$ (42,641,592)</u>	 <u>\$ 177,923,854</u>

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Notes To Financial Statements
May 31, 2006

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 3 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 4 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 5 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.